

## SENATE BILL No. 344

---

### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-30-16-3; IC 12-17.2-7.2.

**Synopsis:** Prekindergarten pilot program. Expands the prekindergarten pilot program to include 13 counties that were selected as finalist counties by the office of the secretary of family and social services but were not selected as one of the five initial pilot counties. Provides that the pilot program in the finalist counties must be funded from the state lottery administrative trust fund. Makes an appropriation.

**Effective:** Upon passage; July 1, 2015.

---

---

## Rogers

---

---

January 8, 2015, read first time and referred to Committee on Education & Career Development.

---

---



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE BILL No. 344

A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-30-16-3, AS AMENDED BY P.L.146-2008,  
2       SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2015]: Sec. 3. (a) The commission shall transfer the surplus  
4       revenue in the administrative trust fund as follows:  
5       (1) Before the last business day of January, April, July, and  
6       October, the commission shall transfer to the treasurer of state, for  
7       deposit in the Indiana state teachers' retirement fund  
8       (IC 5-10.4-2), seven million five hundred thousand dollars  
9       (\$7,500,000). Notwithstanding any other law, including any  
10      appropriations law resulting from a budget bill (as defined in  
11      IC 4-12-1-2), the money transferred under this subdivision shall  
12      be set aside in the pension stabilization fund (IC 5-10.4-2-5) to be  
13      used as a credit against the unfunded accrued liability of the  
14      pre-1996 account (as defined in IC 5-10.4-1-12) of the Indiana  
15      state teachers' retirement fund. The money transferred is in  
16      addition to the appropriation needed to pay benefits for the state



fiscal year.

(2) Before the last business day of January, April, July, and October, the commission shall transfer seven million five hundred thousand dollars (\$7,500,000) of the surplus revenue to the treasurer of state for deposit in the pension relief fund (IC 5-10.3-11).

**(3) Before the last business day of January, April, July, and October, the commission shall transfer two million five hundred thousand dollars (\$2,500,000) of the surplus revenue to the treasurer of state for deposit in the prekindergarten pilot program fund (IC 12-17.2-7.2-13.5). This subdivision expires July 1, 2026.**

~~(3)~~ **(4)** The surplus revenue remaining in the fund on the last day of January, April, July, and October after the transfers under subdivisions (1) ~~and (2)~~ **through (3)** shall be transferred by the commission to the treasurer of state for deposit on that day in the build Indiana fund.

(b) The commission may make transfers to the treasurer of state more frequently than required by subsection (a). However, the number of transfers does not affect the amount that is required to be transferred for the purposes listed in subsection (a)(1), ~~and (a)(2), and (a)(3)~~. Any amount transferred during the month in excess of the amount required to be transferred for the purposes listed in subsection (a)(1), ~~and (a)(2), and (a)(3)~~ shall be transferred to the build Indiana fund.

SECTION 2. IC 12-17.2-7.2-4.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 4.7. As used in this chapter, "pilot fund" refers to the prekindergarten pilot program fund established by section 13.5 of this chapter.**

SECTION 3. IC 12-17.2-7.2-7, AS ADDED BY P.L.202-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The office may establish a pilot program to provide grants for qualified early education services in a manner consistent with how funds are distributed under the Child Care and Development Fund (CCDF) grant program.

(b) The office shall administer the pilot program. ~~The program may include eligible providers in not more than five (5) counties. In determining which counties are designated as pilot counties, the office shall attempt to achieve diversity among the designated counties based on the geographical location of the counties, the population of the counties, and whether the counties are primarily rural or urban. The office shall ensure that the counties selected include a population of~~



1 eligible children sufficient to conduct the longitudinal study under  
2 section 12 of this chapter.

3 (c) Before July 1, 2015, the program includes eligible providers  
4 only in the following pilot counties:

- 5 (1) Allen.
- 6 (2) Jackson.
- 7 (3) Lake.
- 8 (4) Marion.
- 9 (5) Vanderburgh.

10 (d) After June 30, 2015, in addition to eligible providers located  
11 in the pilot counties described in subsection (c) and except as  
12 otherwise provided in subsection (e), the program includes eligible  
13 providers located in the pilot counties described in subsection (e).

14 (e) After June 30, 2015, the program includes eligible providers  
15 located in the following pilot counties:

- 16 (1) Bartholomew.
- 17 (2) Delaware.
- 18 (3) Elkhart.
- 19 (4) Grant.
- 20 (5) Howard.
- 21 (6) Kosciusko.
- 22 (7) Lawrence.
- 23 (8) Madison.
- 24 (9) Noble.
- 25 (10) St. Joseph.
- 26 (11) Tippecanoe.
- 27 (12) Vigo.
- 28 (13) Wayne.

29 However, to be considered a pilot county under this subsection, the  
30 pilot county must be able to implement the pilot program not later  
31 than January 1, 2016.

32 ~~(e)~~ (f) Subject to the requirements of this chapter, the office shall  
33 determine:

- 34 (1) the eligibility requirements, application process, and selection  
35 process for awarding grants under the pilot program;
- 36 (2) the administration and reporting requirements for eligible  
37 providers participating in the pilot program; and
- 38 (3) with the assistance of the early learning advisory committee,  
39 an appropriate outcomes based accountability system for eligible  
40 providers.

41 ~~(d)~~ (g) Before implementing the pilot program, the office shall  
42 submit the provisions of the pilot program to the state board of



education for the state board of education's review and comment.

(e) (h) The office shall, subject to the availability of funding, determine the number of eligible children who will participate in the pilot program.

SECTION 4. IC 12-17.2-7.2-9, AS ADDED BY P.L.202-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) **This subsection does not apply to the pilot program in counties described in section 7(e) of this chapter.** The pilot program in counties described in section 7(c) of this chapter, including the longitudinal study under section 12 of this chapter, must be funded from one (1) or both of the following:

(1) After review by the budget committee and approval by the budget agency, from Child Care and Development Fund (CCDF) grant funding received from the United States government that is designated by the budget agency as available for funding the pilot program.

(2) After review by the budget committee and approval by the budget agency, from amounts reverted in a state fiscal year from funds appropriated to the divisions, departments, and bureaus administered by the office that are designated by the budget agency as available for funding the pilot program.

This subsection expires June 30, 2015.

(b) **This subsection does not apply to the pilot program in counties described in section 7(c) of this chapter. The pilot program in counties described in section 7(e) of this chapter must be funded from money deposited in the prekindergarten pilot program fund established by section 13.5 of this chapter. However, if the amount in the prekindergarten pilot program fund is insufficient to fund the pilot program in the counties described in section 7(e) of this chapter, the balance may be funded, as approved by the governor, from amounts reverted to the state general fund in a state fiscal year from funds appropriated. If the prekindergarten pilot program fund and any amounts reverted are insufficient or not approved by the governor to fund the pilot program in the counties described in section 7(e) of this chapter, the remaining balance necessary to fund the pilot program in the pilot counties described in section 7(e) of this chapter is appropriated from the state general fund.**

(b) (c) The amounts necessary to make the grants and pay the expenses of the longitudinal study under section 12 of this chapter from funds designated under subsection (a) are appropriated from the sources described in subsection (a) for the state fiscal year beginning



1 July 1, 2014, and ending June 30, 2015, for the purposes of the pilot  
2 program.

3 SECTION 5. IC 12-17.2-7.2-13.5 IS ADDED TO THE INDIANA  
4 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2015]: **Sec. 13.5. (a) The prekindergarten**  
6 **pilot program fund is established to provide grants to eligible**  
7 **providers located in counties described in section 7(e) of this**  
8 **chapter.**

9 (b) The fund consists of:

10 (1) money transferred under IC 4-30-16-3(a)(3);

11 (2) money appropriated to the fund by the general assembly;  
12 and

13 (3) grants or gifts to the fund.

14 (c) The fund shall be administered by the office.

15 (d) The expenses of administering the fund shall be paid from  
16 money in the fund.

17 (e) Money in the fund at the end of a state fiscal year does not  
18 revert to the state general fund.

19 (f) The treasurer of state shall invest the money in the fund not  
20 currently needed to meet the obligations of the fund in the same  
21 manner as other public funds may be invested.

22 SECTION 6. An emergency is declared for this act.

